

SILVER RIDGE HOLDINGS BHD. (667785-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30-Jun-2019

(The figures have not being audited)

	30-Jun-2019	30-Jun-2018
	RM'000	RM'000
	UNAUDITED	AUDITED
ASSETS		
Non Current Assets		
Property, plant and equipment	1,471	1,156
Intangible assets	2	3
Other investment	274	274
Investment in associates	0	0
Other receivables	905	6,502
	2,652	7,935
Current Assets		
Inventories	840	1,793
Accrued Income	1,873	2,357
Trade receivables	2,400	3,430
Other receivables, deposits and prepayments	7,868	2,548
Amount owing by associates	23	16
Tax recoverable	166	331
Fixed deposits placed with licensed banks	4,146	6,059
Cash and bank balances	1,309	277
	18,624	16,811
Non-current asset reclassified as held for sale	-	560
Current Liabilities		
Trade payables	5,601	6,833
Other payables, deposits and accruals	2,503	3,042
Amount owing to associates	83	84
Bank borrowings	2,481	4,552
Hire purchase - within 12 months	141	164
Due to directors	270	-
	11,080	14,675
Net Current Assets	7,545	2,696
	10,197	10,631
Represented by:		
Issued capital	16,872	6,127
Reserves	(7,446)	4,006
Non-controlling interests	(129)	-
Shareholders' Equity	9,297	10,133
	-	-
Hire-purchase payables	900	498
Deferred tax liabilities	-	-
	900	498
	10,197	10,631
Net assets per share (RM)	0.07	0.08

Note :

0

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited financial statements for the financial period ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

(The accompanying notes form an integral part of, and should be read in conjunction with, this interim financial report)

SILVER RIDGE HOLDINGS BHD. (667785-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(The figures have not being audited)

	Unaudited CURRENT QUARTER ENDED		Unaudited CUMULATIVE PERIOD ENDED	
	30-Jun-2019	30-Jun-2018	30-Jun-2019	30-Jun-2018
	RM'000	RM'000	RM'000	RM'000
REVENUE	2,926	-	14,639	-
Cost of sales	(1,708)	-	(10,591)	-
GROSS PROFIT	<u>1,217</u>	<u>-</u>	<u>4,047</u>	<u>-</u>
Other operating Income	1,000	-	1,098	-
Administrative expenses	(3,723)	-	(9,463)	-
Other operating expenses	(258)	-	(258)	-
OPERATING LOSS	<u>(1,764)</u>	<u>-</u>	<u>(4,575)</u>	<u>-</u>
Finance income / (costs)	11	-	(286)	-
LOSS BEFORE TAXATION	<u>(1,753)</u>	<u>-</u>	<u>(4,861)</u>	<u>-</u>
Taxation	(13)	-	(13)	-
LOSS FOR THE PERIOD	<u>(1,765)</u>	<u>-</u>	<u>(4,874)</u>	<u>-</u>
Other comprehensive income	0	-	-	-
TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL PERIOD	<u>(1,765)</u>	<u>-</u>	<u>(4,874)</u>	<u>-</u>
Attributable to:				
Equity holders of the Company	(1,736)	-	(4,845)	-
Minority interests	(29)	-	(29)	-
	<u>(1,765)</u>	<u>-</u>	<u>(4,874)</u>	<u>-</u>
Earnings per share				
- Basic (sen)	(1.24)	-	(3.45)	-
- Diluted (sen)	Note	-	Note	-
Dividend per share (sen)	NA	NA	NA	NA

Note:

The diluted earnings per share for the current financial year has not been disclosed as the Company's EPS is negative and would an anti-dilutive effect.

The financial period ended 30 June 2019 is made up of 12 months result from 1 July 2018 to 30 June 2019. As such, no comparative figures are presented for the Statement of Comprehensive Income as there are no comparable interim periods (current and year-to-date) of the immediate preceding financial year following the change in financial year end from 31 December to 30 June.

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Group's Audited Financial Statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

SILVER RIDGE HOLDINGS BHD. (667785-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	30-Jun-19	30-Jun-18
	Unaudited	Audited
	30-Jun-19	30-Jun-18
	(RM'000)	(RM'000)
(The figures have not being audited)		
Cash Flows From Operating Activities		
Loss before tax	(4,861)	(3,503)
Adjustment for :-		
Impairment of receivables		
Amortisation of intangible assets	0	58
Depreciation of property, plant and equip	500	579
(Gain) / Loss - disposal of subsidiary		
Inventory written off		
Impairment loss on investment in associates		
Impairment loss on amount owing by subsidiaries		
(Reversal)/Impairment of receivables		
Fair value (gain)/ loss on derivatives		
Fair value loss on payables		
Fair value gain on receivables	-	1,024
Impairment of jointly controlled entity		
Impairment loss on intangible assets	-	8
Impairment loss on receivables		
Impairment loss on property, plant and e	104	110
Gain on disposal of property, plant and e	(82)	-
Property, plant & equipment written off		
Receivables written off		
Share of losses of associates	-	1
Unrealised (gain)/loss on foreign exchan	-	(0)
Property, plant & equipment written off	-	5
Interest expense	346	509
Interest income	(137)	(131)
Operating Loss Before Working Capital Chanç	(4,130)	(1,340)
Changes in working capital		
Inventories	1,033	1,674
Receivables	1,307	5,763
Payables	(1,421)	(3,851)
Non-current asset reclassified as held for sale	-	-
Amount owing by Associates	-	-
Cash Generated From Operations	(3,211)	2,246
Interest paid	(346)	(509)
Tax paid	(13)	(220)
Tax refund	165	167
Net Cash From Operating Activities	(3,405)	1,684
Cash Flows From Investing Activities		
Fixed deposits placed as security value	1,913	(760)
Proceed from disposal of property, plant & eqi	-	-
Purchased of club membership	-	-
Interest received	137	131
Acquisition of a subsidiary, net of cash acquir	-	-
Additions to Intangible Assets	-	-
Additions to property, plant and equipment	(815)	(3)
Net cash inflow on disposal of subsidiaries	0	-
Net cash inflow on acquisition of subsidiary	0	-
Net cash outflow on disposal of subsidiary	0	-
Net Cash Used In Investing Activities	1,234	(632)
Cash Flow From Financing Activities		
Proceeds from issuance of shares	4,168	-
Redemption of redeemable preference shares	-	(1,600)
(Repayment)/drawdown of trust receipts	-	551
Advance to an associate	(7)	(5)
Repayment of hire purchase	(379)	(606)
Net Cash Used In Financing Activities	3,783	(1,660)
NET DECREASE IN CASH AND CASH EQUIVALENTS	1,612	(608)
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD	(2,084)	(1,476)
CASH AND CASH EQUIVALENTS AS AT END OF THE PERIOD	(472)	(2,084)
Cash and Cash Equivalents Comprises:		
Cash In Hand and At Banks	1,309	922
Deposits With Licensed Banks	4,146	5,723
Bank overdraft	(2,481)	(3,948)
	2,974	2,697
Deposits With Financial Institutions as security for Facilities	(3,446)	(4,781)
	(472)	(2,084)

The unaudited Condensed Cash Flow Statement should be read in conjunction with the Group's audited financial statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the financial statements for the current quarter.

SILVER RIDGE HOLDINGS BHD. (667785-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the 4th Quarter Ended 30-Jun-19
(The figures have not being audited)

	Issued Capital (RM'000)	Non-Distributable Share Premium (RM'000)	Distributable Unappropriated Profit/(Loss) (RM'000)	Non-Controlling Interest (RM'000)	Total (RM'000)
Balance as at 1 July 2018 (restated)	16,872	-	(2,601)	-	14,301
Total comprehensive loss for the period	-	-	(4,845)	(29)	(4,874)
Balance as of 30 June 2019	16,872	-	(7,446)	(29)	9,427
Balance as of 1 January 2016	6,050	6,757	(3,368)	-	9,439
Conversion of warrants	77	-	-	-	77
Total comprehensive loss for the period	-	-	617	-	617
Balance as of 30 June 2018	6,127	6,757	(2,751)	-	10,133

Note:-

The unaudited Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Group's audited financial statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements

SILVER RIDGE HOLDINGS BHD

(Company No.: 667785-W)

Incorporated in Malaysia

Notes on the quarterly report – 30th June 2019

A. EXPLANATORY NOTES AS PER FRS134-INTERIM FINANCIAL REPORTING

A1. Basis of preparation & Changes in Accounting Policies

These unaudited condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 30 June 2018 and the accompanying notes attached to this interim financial statements.

There are no changes in the accounting policies and methods of computation adopted in this quarterly report.

The Board of Directors of the Company had on 17 January 2018 approved the change of financial year end from 31 December to 30 June. Due to the change, the financial period ended 30 June 2019 is made up of 12 months results from 1 July 2018 to 30 June 2019. As such, no comparative figures are presented for the Statements of Comprehensive Income as there are no comparable interim periods (current and year-to-date) of the immediate preceding financial year.

A2. Audit report

The audited financial statements for the year ended 30 June 2018 of the Group’s was unqualified.

A3. Seasonal or cyclical factors

The Group’s operations were not affected by any seasonal or cyclical factors.

A4. Material and unusual items affecting assets, liabilities, equity, net income or cash flow

There were no material and unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period.

A5. Changes in estimates

There were no changes in the estimates of amounts reported that have a material effect on the results in the current quarter under review.

A6. Issuance, cancellations, repurchases, resale and repayments of debts and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities in the current quarter under review.

A7. Dividends paid

There were no dividends paid during the current quarter under review.

A8. Segmental information

The Group currently operates predominantly in the Information and Communication Technology ("ICT") Industry and accordingly, there is no segmental reporting to be presented.

A9. Basis of consolidation

The subsidiary companies are consolidated using the merger accounting principles and the associated companies are consolidated using the equity method.

A10. Valuation of property, plant and equipment

The property, plant and equipment of the Group have not been revalued for the current quarter under review.

A11. Materials events subsequent to the balance sheet date

There was no material events subsequent to the end of the current financial period under review that have not been reflected.

A12. Changes in the composition of the Group

There were no changes in the composition of the Group for the current quarter under review.

A13. Changes in contingent liabilities or contingent assets

As at the date of this report, our Directors are not aware of any contingent liabilities which, upon becoming enforceable, may have a material impact on the profit or net assets value of the Group.

A14. Capital commitments

There were no material capital commitments for the purchase of property, plant and equipment that were not provided for in the interim financial statements as at the end of the financial period.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1. Review of the Group results for the current quarter ended 30 June 2019

For the current quarter ended 30 June 2019, the Group recorded the revenue of RM2.926 million and pre-tax loss of RM1.753 million.

The higher revenue recorded in the current quarter was attributed to “roll out” of new projects during the quarter.

B2. Variation of results against immediate preceding quarter

For the current quarter ended 30 June 2019, the Group recorded the revenue of RM2.926 million as compared to RM2.773 million in the immediate preceding quarter.

The Group recorded a pre-tax loss of RM1.753 million in the current quarter, as compared to a pre-tax loss of RM0.903 in the immediate preceding quarter, mainly due to the higher operating costs.

B3. Prospects

The Group’s business segment are expected to operate in a challenging environment in 2019 /2020. As such, the Group will be implementing cost cutting measures and will strive to continue to improve its efficiency and focus on better margin product mix within our existing tele-communications business to improve the Group’s profitability.

B4. Profit forecast

There was no profit forecast or profit guarantee issued by the Group and the Company for the current quarter.

B5. Tax expense

	2019	2019
	Current period	12 months
	ended 30 June	Cumulative to date
	RM’000	RM’000
Estimated current tax payable	13	13
Deferred tax	-	-
	<hr/>	<hr/>
	13	13
	<hr/>	<hr/>

B6. Quoted and marketable securities

There were no purchases or disposals of quoted and marketable securities during the current quarter under review.

B7. Status of corporate proposals

The proposed private placement of new ordinary shares was approved by Bursa Malaysia Securities Berhad on 16 November 2018 and completed on 10 March 2019

The utilization of the funds raised from the private placement above are as follows –

Purpose	Proceeds raised	Actual utilisation as at 30 June 2019	Balance of proceeds unutilised as at 30 June 2019
	RM	RM	RM
Operating Expenses	1,744,738	778,355	966,382
Staff Costs	906,096	647,078	259,018
Estimated Expenses relating to Private Placement	161,084	186,156	(25,072)
Total	2,811,917	1,611,589	

B8. Borrowings

The Group's borrowings are as follows:-

	30 June 2019
	RM'000
Payable within 12 months:	
Overdraft	2,481
Hire purchase	141
	<hr/>
	2,622
Payable after 12 months:	
Hire purchase	900
	<hr/>
	3,522
	<hr/> <hr/>

The Group does not have any foreign currency borrowings for the quarter ended 30 June 2019.

B9. Off balance sheet financial instruments

There were no off balance sheet financial instruments as at the date of this report.

B10. Material litigation

A wholly owned subsidiary has filed Summons & Statement of Claims against Revenue Records Sdn Bhd for RM1,369,270.09, for rendered service of maintenance, support and engineering services as well as equipment and local materials for Maju Nusa projects. On 30 May 2018, the Court has awarded judgement in favour the plaintiff together with the judgement sum of RM1,369,270.09. On 13 June 2019, Silver Ridge Sdn Bhd's solicitor served Revenue Record Sdn Bhd with a Notice pursuant to Section 465 (1)(e) & Section 466 (1)(a) of Companies Act 2016 which stated that if Revenue Record Sdn Bhd fails or neglects to pay the plaintiff within 21 days from the Notice, they shall be deemed as unable to pay their debts within the meaning of Section 465 (1)(e) and winding up proceedings can be instituted against Revenue Record Sdn Bhd.

B11. Dividends

There was no dividend declared during the quarter under review.

B12 Earnings / (Loss) per Share**a) Basic Earnings / (Loss) per share**

	2019 Current Quarter ended 30 June	2019 12 month Cumulative to date
(Loss) attributable to ordinary shareholders (RM'000)	(1,765)	(4,874)
Weighted average number of ordinary shares on issue ('000)	140,354	140,354
(Loss) per ordinary share (sen) - Basic	(1.24)	(3.45)

b) Diluted Earnings / (Loss) per share

The diluted earnings per share for the current financial year has not been disclosed as the Company's EPS is negative and would have an anti-dilutive effect.

B13. Realised and Unrealised Profits/(Losses) Disclosure

	As at 30 June 2019 RM'000
Total accumulated losses of the Company and its subsidiaries:	
- Realised	(4,874)
- Unrealised	-
	(4,874)
Less: Consolidation adjustments	-
Total Group accumulated losses	(4,874)

B14. Profit for the Period

This is arrived at after crediting / (charging):

	Current Quarter 30 June 2019 RM'000	Year To Date 12 Months to 30 June 2019 RM'000
Interest income	39	137
Interest expenses	(49)	(346)
Depreciation of Property, Plant & Equipment	(249)	(500)
Amortisation of Intangible Asset	(0)	(0)

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements for the ACE Market of Bursa Malaysia Securities Bhd are not applicable.